

**[ ADMINISTRATIVE ORDER NO. 132, September 11, 1989 ]**

**IMPOSING A FINE ON FORMER REGISTER OF DEEDS RAMON G. MANALASTAS OF THE PROVINCE OF RIZAL**

This refers to Administrative Case No. 87-17 for gross negligence and violation of revenue laws and regulations against, among others, Atty. Ramon G. Manalastas, former Register of Deeds of Rizal.

The records show that, on March 19, 1986, the Acting Administrator of the National Land Titles and Deeds Registration Administration (NLTDRA) directed teams composed of NLTDRA personnel and representatives from both the Bureau of Internal Revenue (BIR) and the Commission on Audit (COA) to conduct an audit of the documents of, among others, the Registry of Deeds of Rizal to determine whether they comply with revenue laws and regulations, with particular reference to documentary stamp taxes.

In its report of August 11, 1986, the NLTDRA Audit Team confirmed that there was, indeed, non-compliance with the requirements on payment of documentary stamp taxes in a number of documents in the Registry of Deeds of Rizal. Consequently, a fact-finding investigation was conducted by the NLTDRA to identify the persons responsible for such irregularities. In his report of November 24, 1986, Atty. Ruben Mendigorin, the designated investigator, pinpointed the Register of Deeds of Rizal and the Land Registration Examiners thereof as the ones responsible therefor.

On the basis thereof, the NLTDRA Administrator filed on June 22, 1987, formal charges against Atty. Ramon G. Manalastas, Register of Deeds of Rizal, for gross negligence and violation of existing revenue laws and regulations in the registration of several documents, among which are:

Entry No.	Value of Contract	Confirmation Receipt No.	Date	Amount	Shortage
110275	P 83,200	B 2009725	10-10-83	P 634.00	P 25.60
99243	283,560	B 2793810	12-19-83	1,866.00	397.05
107463	34,560	B 2419978	7-26-83	224.00	46.48
94408	297,050	B 0384371	6-21-83	1,578.00	792.40
103107	300,000	B 0280826	1-26-83	122.50	227.50
103783	67,200	B 0345852	2-16-83	146.00	385.80
105760	125,255	B 0384137	5-17-83	937.00	59.04
103275	466,300	B 0160943	1-24-83	147.00	397.00

In his answer-affidavit dated July 16, 1987, respondent, while denying misfeasance of Entry No. 99243 the registration of which he attributed to Atty. Raymundo Vergara, admitted having registered the documents covered by the above-

enumerated entries, inspite of the deficiencies in the amount of the documentary stamp taxes paid. He further contended that the said taxes were paid based on the Payment Orders issued by the BIR and that such payments were evidence by Bank Confirmation Receipts issued by the agent bank. In fine, respondent Manalastas imputed the tax shortages to both the Land Registration Examiners who allegedly overlooked such deficiencies in the processing of the documents and the BIR representatives who computed the amounts of the said taxes. He further averred that he merely relied on the computation of the BIR representatives.

Petitioner even went to the extent of alleging that in two (2) instances, particularly referring to Entries Nos. 110275 and 105760, the inadequacies in the required documentary stamps were subsequently paid by the parties involved.

However, after thorough investigation, the NLTDRA Administrator found that respondent Manalastas was "still remiss in the implementation of existing regulation concerning documentary stamp tax(es) before effecting registration of documents" and recommended that he be reprimanded.

The Secretary of Justice, in his letter to this Office of February 21, 1989, made the following pertinent observations and recommendation:

"A careful review of the records reveal that in connection with Entry No. 103783, respondent Manalastas failed to observe the provisions of (1) Section 10 of the Property Registration Decree (Presidential Decree No. 1529) requiring him to see to it that the instrument presented for registration bears the 'proper' documentary stamps; and (2) LRC Circular No. 379 dated 26 June 1980 reiterating the portions of the letter dated 2 June 1980 of the BIR Commissioner relative to the value of the documentary stamp taxes to be affixed to taxable documents. In the case of deeds of sale and conveyances of real property, the said LRC Circular bases the documentary stamp taxes to be paid on the 'consideration, after making proper allowance of any [e]ncumbrance.'

x x x

All told, we agree with the Administrator that respondent Manalastas had been remiss in the performance of his duties as Register of Deeds. Such gross negligence proceeds from his being merely perfunctory in the observance of the relevant issuances. As to the charge of violation of revenue laws and regulations, we find no evidence on record that respondent Manalastas wilfully and intentionally committed the acts charged him.

On the matter of penalty, we do not agree with the mere reprimand the Administrator recommends. Under Memorandum Circular No. 8 dated 26 June 1970 of the Civil Service Commission, reprimand is a penalty for light administrative offenses only. Under the same circular, gross neglect of duty or gross negligence constitutes a less grave administrative offense.

Considering that respondent Manalastas had been in the government service for thirty-three (33) years and that he had already reached the